



OFFICE OF INSPECTOR GENERAL

**Semiannual Report to Congress
October 1, 1998 - March 31, 1999**

**Federal Election Commission
999 E Street, N.W.
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Washington, D.C. 20463**

May 1999

TABLE OF CONTENTS

SUBJECT	PAGE
EXECUTIVE SUMMARY-----	1
FEDERAL ELECTION COMMISSION-----	5
AUDITS-----	7
AUDIT FOLLOW-UP-----	11
INVESTIGATIONS-----	13
ADDITIONAL OFFICE OF INSPECTOR GENERAL ACTIVITY-----	14
ECIE AND PCIE ACTIVITY-----	20
REPORTING REQUIREMENTS-----	22
TABLE I - QUESTIONED COSTS-----	23
TABLE II - FUNDS PUT TO BETTER USE-----	24
TABLE III - SUMMARY OF AUDIT REPORTS WITH CORRECTIVE ACTIONS OUTSTANDING FOR MORE THAN SIX MONTHS-----	25
OFFICE OF INSPECTOR GENERAL HOTLINE-----	26
OIG STRATEGIC PLAN-----	27

EXECUTIVE SUMMARY

This report is submitted pursuant to the Inspector General Act of 1978, as amended, and includes a summary of the Office of Inspector General's (OIG) activities for the period October 1, 1998 through March 31, 1999.

During this reporting period, one audit report and one audit follow-up report were released and two cash counts of the Federal Election Commission's (FEC) imprest fund were conducted. The Office of Inspector General also initiated an audit during this reporting period of the Agency Year 2000 Renovations. We are conducting this audit to verify whether progress reported by the FEC for resolving the Y2K problem, matches its actual state of preparation. The audit will also evaluate compliance with applicable laws and regulations. The draft report of the audit was released on March 31, 1999. We anticipate releasing the final audit report during the next reporting period. The audits and follow-up report are summarized below:

Audit of Commission's Management of Computer Software - OIG 98-05, was released March, 1999. The primary objectives were to 1) verify that the Commission's computer software is in compliance with applicable copyright laws and commission policies and procedures; 2) determine that adequate

policies and procedures are in place to prevent unauthorized software use by Commission employees; and 3) ensure that adequate controls are in place to detect and prevent computer viruses. During the audit, the OIG performed an unannounced inspection of Commission computers. The unannounced inspection was based on a random sample of computers. The purpose of the inspection was to document the computer software programs installed on Commission computers, and to verify that anti-virus software was installed and active on the computers. We concluded that adequate policies and procedures are in place to prevent unauthorized software use by Commission employees. We provided management with several suggestions for improvement. Our audit contained one finding and three recommendations which are detailed in the *audit section* of this report.

A Follow-up report to the audit of the Review of the Commission's Employee Appraisal Process - OIG 97-02, was conducted this reporting period. The original audit was released in January, 1998. The primary objectives of the audit were to 1) determine whether the Commission's Employee Appraisal Process was in compliance with applicable federal regulations and commission personnel instructions; and 2) determine whether the Commission's monetary incentive process is in compliance with applicable Federal Regulations and Commission Personnel Instructions. Four audit recommendations were contained in the original report.

Management agreed with all the recommendations made in conjunction with the findings. However, after our review we found that the Personnel office has not resolved the four audit recommendations. The details of the follow-up report are discussed in the *audit follow-up section* of this report.

Audit of Agency Year 2000 Renovations - OIG 98-08, is currently in progress. The primary objectives of this audit are to 1) verify the reported progress of the FEC's Y2K renovation project; and 2) to evaluate compliance with applicable laws & regulations. Throughout the audit, we regularly updated the Y2K team on all project risk that we identified during our audit fieldwork and provided specific recommendations to reduce exposure to those risks. We anticipate releasing the audit during the next reporting period. Further details concerning this audit are discussed in the *audit section* of this report.

Our office, along with the Inspector General from the Equal Employment Opportunity Commission, conducted a peer review of the Panama Canal Commission's Office of Inspector General. The objectives of the peer review were to determine 1) whether or not the audit organization's internal control system is adequate and operating effectively; and 2) whether or not established policies, procedures, and applicable *Government Auditing Standards* are being followed in practice. The scope of the review included: 1) reports and working papers for four

audits listed in semiannual reports for the October 1, 1997 through September 30, 1998 period; 2) OIG Audit and Investigative Work Plan and Strategic Plan; 3) job descriptions and documents describing auditor experience and training; 4) OIG Procedures Manual and 5) employee confirmation of independence statements. Additionally, appropriate members of the audit staff were interviewed to verify the actual practice of quality control and follow-up procedures. The draft report has been issued to the Inspector General of the Panama Canal Commission.

To enhance the effectiveness of the Office of Inspector General and to ensure effective audit coverage of the Commission's programs and operations, the OIG developed a strategic plan covering fiscal year 1999-2004. The OIG strategic plan will continue to evolve and will be reviewed and updated as necessary to ensure maximum effectiveness in meeting the changing needs of the FEC, consistent with the OIG's statutory responsibilities. The Strategic Plan can be found in Appendix A.

THE FEDERAL ELECTION COMMISSION

The Federal Election Commission (FEC) is an independent, regulatory agency responsible for administering and implementing the Federal Election Campaign Act (FECA). The FEC is composed of six Commissioners who are appointed for six year terms by the President with the advice and consent of the Senate. The FECA likewise established the positions of Staff Director and General Counsel, who are appointed by the Commissioners.

OFFICE OF INSPECTOR GENERAL

The Federal Election Commission is one of the thirty-three designated agencies required to have an Inspector General under the 1988 amendments to the Inspector General Act of 1978 (P.L. 100-504).

The responsibilities of the Inspector General as stated in P.L. 100-504 are as follows:

- o conduct and supervise audits and investigations relating to the Federal Election Commission's programs and operations;

- o provide leadership, coordination, and to recommend policies for activities designed to promote economy, efficiency and effectiveness in the administration of Commission programs and operations. To prevent and detect fraud, waste and abuse in these programs and operations, and;
- o keep the Commissioners and Congress fully and currently informed about problems and deficiencies and the need for and progress of corrective actions.

The OIG staffing level for FY'99 is 4 FTE. The staff consists of the Inspector General, the Special Assistant to the Inspector General and two Senior Auditors.

AUDITS

TITLE: ***Audit of the Commission's Management of Computer Software***

ASSIGNMENT #: **98-05**

RELEASE DATE: **March, 1999**

PURPOSE: The three objectives of our audit were to: 1) verify that Commission computer software is in compliance with applicable copyright laws and Commission policies and procedures; 2) determine that adequate policies and procedures are in place to prevent unauthorized software use by Commission employees; and 3) ensure that adequate controls are in place to detect and prevent computer viruses.

Our audit examined the management of computer software programs installed on Commission computers to ensure that software complies with applicable software copyright laws and Commission policies and procedures. We generally found that the majority of the software installed on the Commission computers we inspected was

in compliance with applicable software copyright laws. However, we did find that unlicensed software was installed on Commission computers. We suggested that Data Systems Development Division (DSDD) develop an adequate record keeping system to ensure that all software installed on Commission computers complies with copyright laws. DSDD is planning to, or has already taken, action to rectify the unlicensed software we found installed on several Commission computers.

We also reviewed the FEC's policies and procedures related to computer software use by employees. The purpose of the review was to determine whether adequate policies and procedures are in place to prevent unauthorized software use by employees. We reviewed the FEC's Directive #58, which contains controls over computer software, and inspected the User Computer Agreements to determine if all employees have signed the agreement to abide by Commission's policy on computer software use. We also conducted an unannounced inspection of a sample of Commission computers to

Audits (continued)

determine whether the computer software installed on the PC's was authorized in accordance with Directive #58.

Overall, we believe adequate policies and procedures are in place to prevent unauthorized software use by Commission employees. We did provide management with several suggestions for improvement.

We also reviewed the FEC's anti-virus software system. In general, the purpose of the review was to verify that the current version of the anti-virus software is installed on Commission personal computers. One recommendation was made to management.

TITLE:	<i>Audit of Agency Year 2000 Renovations</i>
ASSIGNMENT #:	98-08
RELEASE DATE:	In Progress
PURPOSE:	The primary objectives of this audit are to: 1) verify the reported progress of the FEC's Y2K renovation project; and 2) to evaluate compliance with applicable laws &

Audits (continued)

regulations. Throughout the audit, we regularly updated the Y2K team on all project risk that we identified during our audit fieldwork and provided specific recommendations to reduce exposure to those risks.

STATUS:

The audit fieldwork is complete and the audit report recommendations have been discussed with the appropriate agency officials. The draft audit report was released March, 1999 for review and written comment by officials having management responsibility over the issues discussed. The final report is scheduled to be released during the next reporting period.

AUDIT FOLLOW-UP

TITLE: *Review of the Commission's Employee Appraisal Process*

ASSIGNMENT #: **97-02**

RELEASE DATE: **January, 1998**
(Audit Report)

PURPOSE: During this reporting period, the OIG completed the follow-up report to the above mentioned audit. The primary objectives of the original audit were to: 1) determine whether the Commission's employee appraisal process was in compliance with applicable Federal Regulations and Commission Personnel Instructions; and 2) determine whether the Commission's monetary incentive process is in compliance with applicable Federal Regulations and Commission Personnel Instructions. The original report contained four audit recommendations.

We inspected Personnel Office documents and interviewed Personnel Office staff in order to determine whether corrective action had been taken to resolve the

Audit Follow-up (continued)

audit findings and recommendations. Based on our review of documents and interviews with staff, we have concluded that the Personnel Office has not resolved the four audit recommendations contained in the audit report. Although we found that some action had been taken by the Personnel Office to correct weaknesses cited in our report, the action taken was not sufficient to resolve the audit findings.

The four audit recommendations will remain open until corrective action has been taken to address the weaknesses cited in our audit report.

INVESTIGATIONS

No new investigations were opened during this reporting period.

ADDITIONAL OFFICE OF INSPECTOR GENERAL ACTIVITY

All legislation, as compiled by the Commission's Congressional Affairs Office, was reviewed by the Inspector General, as required by the Inspector General Act of 1978, as amended. The Inspector General also routinely reads all Commission agenda items and attends Finance Committee Meetings.

Recently, questions have been raised in two separate forums regarding the independence of Inspectors General in the Designated Federal Entities (DFEs). Although Inspectors General have been debating for some time whether to seek legislation to enhance their statutory independence, the fact that these questions have now been raised outside of the Inspector General community indicates that additional attention needs to be given to independence issues.

The first recently to question the independence of the DFE IGs was the Professional Ethics Committee of the American Institute of Certified Public Accountants (AICPA). That Committee has proposed a revision of its rules that would result in DFE IGs being deemed not sufficiently independent to issue audit reports under Generally Accepted Auditing Standards (GAAS). Under the proposed AICPA definition, the Presidentially-appointed IGs would be treated as independent auditors, but the DFE IGs would be treated as “internal auditors” because they are

appointed by their agency heads and, therefore, they are considered to be less independent. In response, 24 DFE IGs sent a letter challenging the AICPA's proposed revision, and asserting that the manner of an IGs appointment does not vest some (Presidentially-appointed) IGs with more independence than others (agency-head appointed).

The second forum, in which the independence of DFE IGs was raised, was a hearing before an Administrative Law Judge (ALJ) of the Federal Labor Relations Authority (FLRA) on an Unfair Labor Practice charge against the Office of Inspector General of the National Labor Relations Board (NLRB). At issue was the alleged refusal of an investigator from the NLRB OIG to permit an employee to be represented by his union during an investigative interview. This very issue is pending a decision by the U.S. Supreme Court in *FLRA v. National Aeronautics and Space Administration and National Aeronautics and Space Administration Office of Inspector General*, 120 F.3d 1208 (11th Cir. 1997), *cert. granted*, 119 S. Ct. 401(1998). Oral argument was heard on March 23, 1999. The ALJ who decided the NLRB case, however, concluded that the NLRB OIG case was not necessarily dependent on the outcome of the NASA case in the Supreme Court. The ALJ found that since the NLRB case involved a DFE IG, and the pending NASA case involved a Presidentially appointed IG, the cases were sufficiently dissimilar to distinguish them even before the Supreme Court issues its decision. Specifically,

the ALJ stated that:

Unlike the Inspector General in *NASA* and the Inspectors General of other agencies defined by section 11 of the IG Act as “establishments,” the Inspector General of the NLRB is appointed by its Chairman, who may also remove him or her. Although such removal must be explained to Congress, there are no formal limitations on the reasons on such action. The Inspector General, therefore, must rely solely on political considerations rather than legal standards with respect to the security of his or her position.

NLRB OIG and NLRBU, FLRA Case No. AT-CA-80026 (February 10, 1999), at 19. The ALJ went on to state that because a DFE IG serves at the pleasure of the agency head, and because of the agency’s role in establishing the OIG’s budget, a DFE IG also appears to have somewhat less independence than a Presidentially-appointed Inspector General. *Id* at 20.

Although the DFE IGs have long believed that the intent of the Inspector General Act Amendments of 1988 was to establish IGs in the Designated Federal Entities who have the same level of independence as Presidentially-appointed IGs, it is becoming increasingly apparent that there are significant perceived differences. Several legislative proposals pending or soon to be introduced in this Congress

directly affect IGs. In the coming months DFE IGs will become more involved in working with Congress to address these independence issues.

As an ongoing project, the Special Assistant to the Inspector General conducted two unannounced cash counts of the FEC's imprest fund (#OIG-98-07 and #OIG-99-01). The imprest fund consists of three drawers totaling \$2,500. The results of the cash count for assignment #99-01 revealed no overage or underage and all cash was accounted for.

A cash count conducted in November, assignment #98-07, revealed an underage of \$130.40 in one of the three cash drawers. This was due to a travel advance form not being properly filed. The travel advance form was subsequently located by the Accounting Office and all cash was accounted for in the form of currency, coins and receipts of funds disbursed. In addition, our reviews revealed that cash disbursements from the imprest fund were reasonable and consistent with FEC imprest fund policy.

The OIG developed a strategic plan covering fiscal year 1999-2004. The purpose of this plan is to enhance the effectiveness of the Office of Inspector General and to ensure effective audit coverage of the Commission's programs and operations. Three major categories of OIG-wide goals and objectives have been

identified. They are Products, Processes, and Staff. The goals of each are as follows:

OIG Products: To provide products and services that promote positive change in FEC policies, programs, and operations.

OIG Processes: To develop and implement processes, policies, and procedures to ensure the most effective and appropriate use of OIG resources in support of our people and products.

OIG Staff: To maintain a skilled and motivated work force in an environment that fosters accountability, communications, teamwork, and personal and professional growth.

The OIG will also take into consideration the FEC's strategic plan in making its decision on areas to audit and we will continue the past practice of requesting audit ideas from all staff. We feel this will assist the office in addressing the audit requirements of its customers. The OIG Strategic Plan can be found at Appendix A.

The Commission's Data Systems Development Division (DSDD) agreed to host an Internet web page created by the OIG. The OIG web page contains electronic copies of completed audits and semiannual reports. The OIG had previously utilized the IG community's IGnet web site to post reports. A link has been placed on the IGnet's web page to redirect Internet users to the OIG's new web page. The OIG's new web address is <http://www.fec.gov/fecig.htm>.

ECIE AND PCIE ACTIVITY

The Executive Council on Integrity and Efficiency was established by Executive Order on May 11, 1992. It consists of Designated Federal Entity Inspectors General and representatives of the Office of Government Ethics, the Office of Special Counsel, the Federal Bureau of Investigation and the Office of Management and Budget.

The Inspector General (or staff) attended the following training, programs and/or conferences during the last reporting period:

- o PCIE Professional Development Forum - The Government Performance Results Act
- o Introduction to Lotus Notes 4.6
- o Audit & Control of Computer Networks
- o Introduction to Form Flow
- o Mail Merge using Microsoft Word
- o Writing for Success
- o Making it in the Millennium - Executive Women in Government
- o The Integrated Audit workshop

- o Understanding and Auditing the Enterprise Telecommunications Environment
- o Live Internet briefing on Internet and Internal Network Intrusion detection - “What Hackers Know About your Site”
- o Microsoft Explorer Exposition

IG ACT	REPORTING REQUIREMENTS	PAGE
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Reporting requirements required by the Inspector General Act of 1978, as amended by the Inspector General Act Amendments of 1988 are listed below:

Section 4(a)(2)	Review of Legislation-----	14
Section 5(a)(1)	Significant Problems, Abuses, and Deficiencies-----	None
Section 5(a)(2)	Recommendations with Respect to Significant Problems, Abuses, and Deficiencies-----	None
Section 5(a)(3)	Recommendations Included in Previous Reports on Which Corrective Action Has Not Been Completed-----	25
Section 5(a)(4)	Matters Referred to Prosecutive Authorities-----	None
Section 5(a)(5)	Summary of Instances Where Information was Refused-----	None
Section 5(a)(6)	List of Audit Reports-----	7
Section 5(a)(7)	Summary of Significant Reports-----	7
Section 5(a)(8)	Questioned and Unsupported Costs-----	23
Section 5(a)(9)	Recommendations that Funds be put to Better Use-----	24
Section 5(a)(10)	Summary of Audit Reports issued before the start of the Reporting Period for which no Management Decision has been made-----	N/A
Section 5(a)(11)	Significant revised Management Decisions-----	N/A
Section 5(a)(12)	Management Decisions with which the Inspector General is in Disagreement-----	None

TABLE I

**INSPECTOR GENERAL ISSUED REPORTS
WITH QUESTIONED COSTS**

	DOLLAR VALUE (in thousands)		
	NUMBER	QUESTIONED COSTS	UNSUPPORTED COSTS
A. For which no management decision has been made by commencement of the reporting period	0	0	[0]
B. Which were issued during the reporting period	0	0	[0]
Sub-Totals (A&B)	0	0	[0]
C. For which a management decision was made during the reporting period	0	0	[0]
(i) Dollar value of disallowed costs	0	0	[0]
(ii) Dollar value of costs not disallowed	0	0	[0]
D. For which no management decision has been made by the end of the reporting period	0	0	[0]
E. Reports for which no management decision was made within six months of issuance	0	0	[0]

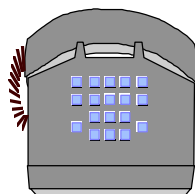
<p style="text-align: center;">TABLE II</p> <p style="text-align: center;">INSPECTOR GENERAL ISSUED REPORTS WITH RECOMMENDATIONS THAT FUNDS BE PUT TO BETTER USE</p>
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	NUMBER	DOLLAR VALUE (in thousands)
A. For which no management decision has been made by the commencement of the reporting period	0	0
B. Which were issued during the reporting period	0	0
C. For which a management decision was made during the reporting period	0	0
(i) dollar value of recommendations were agreed to by management	0	0
based on proposed management action	0	0
based on proposed legislative action	0	0
(ii) dollar value of recommendations that were not agreed to by management	0	0
D. For which no management decision has been made by the end of the reporting period	0	0
E. Reports for which no management decision was made within six months of issuance	0	0

TABLE III**SUMMARY OF AUDIT REPORTS WITH CORRECTIVE ACTIONS
OUTSTANDING FOR MORE THAN SIX MONTHS****Recommendations**

<u>Audit Report Number</u>	<u>Report Issue Date</u>	<u>Management Response Date</u>	<u>Number</u>	<u>Closed</u>	<u>Open</u>
97-02	01/98	01/98	4	0	4
97-03	01/98	03/98	2	0	2

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**Federal Election Commission
999 E Street, N.W., Suite 940
Washington, D.C. 20463**

**FEDERAL ELECTION COMMISSION
OFFICE OF INSPECTOR GENERAL**

STRATEGIC PLAN



**FISCAL YEARS
1999 - 2004**

**Lynne A. McFarland
Inspector General**

Inspectors General Vision Statement

We are agents of positive change striving for continuous improvement in our agencies' management and program operations and in our own offices.

Statement of Reinvention Principles

We Will:

- Work with our agency head and the Congress to improve program management.
- Maximize the positive impact and ensure the independence and objectivity of our audits, investigations and other reviews.
- Use our investigations and other reviews to increase Government integrity and recommend improved systems to prevent waste, fraud and abuse.
- Be innovative and question existing procedures and suggest improvements.
- Build relationships with program managers based on a shared commitment to improving program operations and effectiveness.
- Strive to continually improve the quality and usefulness of our products.
- Work together to address Government-wide issues.

STRATEGIC PLAN FOR THE OFFICE OF INSPECTOR GENERAL

I. Introduction and Background:

To enhance the effectiveness of the Office of Inspector General (OIG) at the Federal Election Commission (FEC), and to ensure effective audit coverage of the Commission's programs and operations, this office has developed the following strategic plan. In conjunction with the strategic plan, the OIG will continue to request audit ideas from all staff. The OIG will also take into consideration the FEC's strategic plan in making its decisions on areas to audit. This will enable the office to address the audit requirements of its customers.

The Office of Inspector General within the Federal Election Commission was created in accordance with the Inspector General Act of 1978, as amended. The mission of the OIG, as spelled out in the Act, is to:

- conduct and supervise independent and objective audits and investigations relating to agency programs and operations;
- promote economy, effectiveness, and efficiency within the agency;
- prevent and detect fraud, waste and abuse in agency program and operations;
- review and make recommendations regarding existing and proposed legislation and regulations relating to agency programs and operations;
- keep the agency head and the Congress fully and currently informed to problems in agency programs and operations.

To carry out these responsibilities, the Congress has given the Inspector General:

- access to all records, reports, audits, reviews, documents, papers, recommendations or other material which relate to the programs and operations of the Commission;
- authority to make such investigations and reports, that in the judgment of the Inspector General, are necessary;
- authority to request assistance from any federal, state or local government agency as may be necessary;
- authority to issue subpoenas;
- authority to administer and take oaths, affirmations or affidavits;
- direct and prompt access to the Commission (as head of the agency);

- authority to select, appoint and employ such officers and employees as may be necessary for carrying out the functions, powers, and duties of the OIG;
- authority to obtain expert and consultant services; and,
- within the limits of the budget, authority to contract out for audits, studies, analyses, and other services.

The OIG shall also:

- comply with Government Auditing Standards and other applicable auditing and investigative standards;
- ensure that any work performed by non-federal auditors complies with Government Auditing Standards;
- avoid duplication with the U.S. General Accounting Office (GAO) and ensure effective coordination and cooperation;
- report all suspected violations of criminal law to the Attorney General; and,
- arrange for a review of the OIG by a federal audit entity at least once every three years for the purpose of determining whether Government Auditing Standards are being followed.

II. Organization:

The OIG is currently assigned four FTE. The staff consists of the Inspector General, two senior Auditors and a Special Assistant to the Inspector General. The OIG is provided legal services through a Memorandum of Understanding (MOU) with the Office of General Counsel. The OIG also has a MOU with the Staff Director and the Designated Agency Ethics Official.

The OIG takes several steps to ensure the quality of the work performed and products produced. The office hires only qualified and competent staff and ensures that their expertise and professional competence is maintained by being certain that all staff receive the amount of training required by the Government Auditing Standards. A deliberate effort is made to give staff a wide variety of assignments, including special projects, to further increase their knowledge and capabilities. Since the staff size is small, the Inspector General is very involved in the audit and investigative processes.

All products that are produced by the OIG are personally reviewed and signed by the Inspector General. In addition, every three years, the OIG undergoes a peer review of the audit operation. This is conducted by another Office of Inspector General following PCIE/ECIE guidelines. The results of the peer review are given to the Commission by the Inspector General.

III. Federal Election Commission - Mission Statement and Goals:

The mission statement of the FEC, as stated in the FEC Strategic Plan 1998-2003, is as follows:

The ultimate mission of the FEC is to assure that the campaign finance process is fully disclosed and that the rules are effectively and fairly enforced, fostering the electorate's faith in the ultimate integrity of the nation's political process.

The FEC has identified four major goals and objectives that have been tied to four core programs. They are as follows:

Program I - Promoting Disclosure of Campaign Finance Reports Required to be Filed for Public View Under the FECA (Title 2): *To promote full, accurate, and timely disclosure of campaign finance activity in federal elections, and to provide information and policy guidance on the FECA to the public, press and those persons and entities required to comply with the FECA.*

Program II - Enforcing the Disclosure and Limitations Provisions of the FECA (Title 2): *To encourage and obtain voluntary compliance with the disclosure and limitation provisions of the FECA through enforcement of the FECA in a timely, consistent, and comprehensive manner.*

Program III - Implementing the Presidential Election Public Funding Provisions of the FECA (Title 26): *To successfully administer the public funding provisions of the FECA under Title 26 U.S.C. for qualified candidates in presidential elections.*

Program IV - Enhancing Federal Election Administration: *To assist state and local election officials charged with administering federal elections through operation of the National Clearinghouse on Election Administration.*

IV. Office of Inspector General's Goals and Objectives:

Subsequent to the evaluation of the various considerations that would affect the OIG mission and the ability to meet it, three major categories of OIG-wide goals and objectives have been identified. They are, Products, Processes, and Staff. Possible strategies and performance measures for each have been included.

The OIG strategic plan will continue to evolve and will be reviewed and updated as necessary to ensure maximum effectiveness in meeting the changing needs of the FEC, consistent with the OIG's statutory responsibilities.

OIG Products: To provide products and services that promote positive change in FEC policies, programs, and operations.

Objective A: Deliver timely, high-quality products and services that promote positive change.

- Strategy:**
- establish common OIG standards for communicating results;
 - conduct quality assurance programs;
 - solicit appropriate internal and external review and comment;
 - comply with applicable statutory guidelines and standards;
 - set realistic and appropriate milestones.

Objective B: Address priority issues and concerns of the Commission, Management and Congress.

- Strategy:**
- Perform work that supports:
 - Federal Election Commission and Congressional priorities;
 - National Performance Review objectives;
 - Strategic Management Initiative efforts;
 - Focus OIG attention in the following areas of emphasis:
 - managing change;
 - resource allocation in relation to policy objectives;
 - delivery of client service;
 - causes of fraud and inefficiency; and,
 - automation and communication.

Objective C: Follow-up and evaluate results of OIG products and services to assess their effectiveness in promoting positive change.

- Strategy:**
- Identify, as appropriate, lessons learned to improve timeliness and quality; and,

- conduct follow-up reviews to determine if intended results have been achieved.

Objective D: Satisfy customers, consistent with the independent nature of the OIG.

- Strategy:**
- establish professional communication and interaction with customers to promote the open exchange of ideas;
 - incorporate customer feedback, as appropriate; and,
 - be open to customer-generated solutions and options.

Performance Measures: Determine the timeliness and quality of products and services; their effectiveness in promoting positive change; and, reach agreement with management on at least 90% of recommendations within six months of the report issue date.

OIG Processes: To develop and implement processes, policies, and procedures to ensure the most effective and appropriate use of OIG resources in support of our people and products.

Objective A: Maintain a dynamic strategic planning process.

- Strategy:**
- periodically review and update the strategic plan to address changing OIG and FEC priorities; and,
 - identify factors that influence organizational change and develop short and long term plans to address them.

Objective B: Plan and conduct cost-effective work that address critical issues and results in positive change.

- Strategy:**
- solicit FEC and Congressional input in planning OIG activities;
 - develop internal planning mechanisms to support FEC goals and priorities;
 - ensure that priorities of IG are effectively communicated;
 - identify specific targets for OIG review that are the most cost-effective.

Objective C: Identify customer needs and provide products and services to meet them.

Strategy:

- establish new customer feed back mechanisms;
- consider and evaluate customers feedback when planning and developing products and services;
- respond to congressional inquiries and requests for briefing and testimony;
- promote open exchange of ideas and information through outreach and through use of e-mail; and,
- receive, evaluate, and respond, as appropriate, to information received through the OIG hotline and other sources.

Objective D: Implement efficient, effective, and consistent resolution and follow-up procedures.

Strategy:

- ensure that IG follow-up procedures are followed and that management is aware of their role in the process;
- establish common OIG standards for terminology, date maintenance and communications.

Objective E: Establish a positive and productive working environment.

Strategy:

- reengineer or streamline OIG procedures to achieve the most effective use of resources; and,
- ensure that necessary technologies, evolving and otherwise, are made available to staff as needed.

Performance Measures: An annual audit plan is issued; strategic plan is periodically reviewed; and, necessary technology is provided to staff to enable them to most efficiently perform their duties.

OIG Staff: To maintain a skilled and motivated work force in an environment that fosters accountability, communications, teamwork, and personal and professional growth.

Objective A: Attract and retain well-qualified, diverse and motivated employees.

Strategy:

- develop and implement a comprehensive recruiting

program that attracts a broad population with the knowledge, skills, abilities, and expertise necessary to make meaningful contributions to the OIG;

- assess employee satisfaction and develop strategies to address employee concerns;
- identify reasons for staff departures and develop plans to foster greater staff retention; and,
- adhere to EEO principles and strive to maintain a diverse work force.

Objective B: Provide training and developmental opportunities to employees.

- Strategy:**
- assess training needs in relation not only to employee but office needs as well;
 - ensure that Government Auditing Standards in relation to training are adhered to; and,
 - maintain a reporting system to ensure that educational requirements are met.

Objective C: Assess, recognize, and reward, when possible, performance that contributes to achieving the OIG mission.

- Strategy:**
- develop and articulate expectations for each employee's performance, including contributions in meeting the mission & goals of the OIG; and,
 - ensure that rewards, when possible, are given in recognition of exceptional employee performance.

Objective D: Create and maintain a working environment that promotes teamwork and effective communication.

- Strategy:**
- ensure that communication between employees is open;
 - provide employees with the tools and incentives they need to adequately perform their duties.

Performance Measures: All employees meet the training requirements; all employees have performance standards; and all employees meet the basic requirements for the position in which they were hired to perform.